



City of Yakima/Yakima County Purchasing



May 31, 2013

To Whom It May Concern:

Subject: 11319-P Debt Collection Services - Addendum No. 1

Please see the following questions and answers (in bold) from the discussion at the Pre-Bid Meeting of May 22, 2013.

1. What is the estimated number of accounts and the dollar amount that we are looking at? **460 accounts/\$36,500 monthly**
2. What is the date by which you will answer these questions? **End of May 2013**
3. When is the anticipated contract start date? **Approximately 2nd week of July depending on analysis and scoring.**
4. To how many vendors are you seeking to award a contract? **Most likely one vendor.**
5. What is the total dollar value of accounts available for placement now by category, including any backlog? **See # 1 – no backlog**
6. What is the total number of accounts available for placement now by category, including any backlog? **See # 1 – no backlog**
7. What is the average balance of accounts by category? **\$75 for Utilities/\$105 for Accounts Receivable**
8. What is the average age of accounts at placement (at time of award and/or on a going-forward basis), by category? **6 weeks**
9. What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)? **\$0**
10. What is the monthly or quarterly number of accounts expected to be placed with the vendor(s) by category? **See # 1**
11. What is the monthly or quarterly dollar value of accounts expected to be placed with the vendor(s) by category? **\$36,500**

12. What is anticipated or expected as a result of this procurement? **To collect on the non-current accounts, see page 4 of 54 section A.1.**
13. If applicable, will accounts held by any incumbent(s) or any backlog be moved to any new vendor(s) as a one-time placement at contract start up? **No**
14. To what extent will the location of the bidder's call center and/or corporate headquarters have a bearing on any award(s)? **This is no longer a requirement.**
15. Regarding the reports, is there a particular format requirement? **Preferably Excel**
16. On the Proposal Price Form; what does the "Accounts Returned within 30 day" price mean? **There will not be any fees charged to the City if Account is returned within 30 days.**
17. What fees will be charged to the debtor vs. city? **City will not be paying any fees. The City will take into consideration reasonableness of the fees proposed to be charged to the debtor when scoring for costs (in the evaluation criteria). Please see the following RCW regarding what can be charged to the debtor:**

RCW 19.16.500

Public bodies may retain collection agencies to collect public debts — Fees.

(1)(a) Agencies, departments, taxing districts, political subdivisions of the state, counties, and cities may retain, by written contract, collection agencies licensed under this chapter for the purpose of collecting public debts owed by any person, including any restitution that is being collected on behalf of a crime victim.

(b) Any governmental entity as described in (a) of this subsection using a collection agency may add a reasonable fee, payable by the debtor, to the outstanding debt for the collection agency fee incurred or to be incurred. The amount to be paid for collection services shall be left to the agreement of the governmental entity and its collection agency or agencies, but a contingent fee of up to fifty percent of the first one hundred thousand dollars of the unpaid debt per account and up to thirty-five percent of the unpaid debt over one hundred thousand dollars per account is reasonable, and a minimum fee of the full amount of the debt up to one hundred dollars per account is reasonable. Any fee agreement entered into by a governmental entity is presumptively reasonable.

(2) No debt may be assigned to a collection agency unless (a) there has been an attempt to advise the debtor (i) of the existence of the debt and (ii) that the debt may be assigned to a collection agency for collection if the debt is not paid, and (b) at least thirty days have elapsed from the time notice was attempted.

(3) Collection agencies assigned debts under this section shall have only those remedies and

powers which would be available to them as assignees of private creditors.

(4) For purposes of this section, the term debt shall include fines and other debts, including the fee allowed under subsection (1)(b) of this section.

18. Why is the "Cost" section on the scoring allocated with such a high amount of points? **The "Cost" section is required to be evaluated and scored, so the City knows what the debtor is being charged, as it is a direct reflection on the City. Please see revised selection criteria and scoring:**

1.1 Costs, including proposal amount, ongoing support, administrative, implementation and training costs. Cost of service.	20 points
1.2 References, demonstrations, documentation, working relations and dependability. The proven ability, stability, capacity, and skill of the Contractor to provide the service required for a multi-departmental government unit. Appropriate licensure by the State.	35 points
1.3 Training and implementation plan, technology and extra services. Simplicity and ease of adaptation with which the proposed debt collection procedures and practices meet with the specifications in this RFP. Access and use of technology systems to improve debt collection efforts and communication with the City of Yakima.	30 points
1.4 Responsiveness to the proposal. Completeness and thoroughness used to meet the specifications in this RFP	15 points
TOTAL	100 points

19. What referral methods are required? **No preferred method.**
20. What is the process for parking tickets & tabs? E.g. when an account is paid in full, the DMV requires a letter to release the tabs. **The city handles the follow up with the DMV.**
21. Page 14, section 9.3 states "If the contractor receives payment from a debtor who owes money to other parties not related to the City, the Contractor shall pay the City first, unless specifically directed otherwise by the debtor" – does this mean the City takes precedence? **Yes.**
22. Reporting to Credit Bureaus: is it required to report to all, or simply report to one? **Simply to report to one.**
23. Who sends the letters to the debtor? **The city sends these letters (per RCW) to the debtors.**

24. Page 14, section 8.2.1 and page 13, section 7.2 seem to contradict each other. **Section 7.2 refers to the general accounts and what happens when the City receives a NSF check for payment. Section 8.2.1 refers to the collection fees related to a NSF check if referred to vendor.**

25. Page 10 of 52 changed as follows:

6. ~~Transition and Implementation Plan, Effective to Perspective Accounts~~

6.1. What is your ~~transition~~ **implementation** plan, including timelines?

26. Why is "Courts" mentioned in the specifications?

It should not be, please see change: Page 9, section C.4. "General, Court and NSF Check Collections" is changed to "General and NSF Check Collections"

27. **Please remove all references of "Parking Enforcement" from the specifications. These will not be included in this RFP.**

28. Page 14 of 52 section 9.2 shall be changed as follows:

9.2. **If a partial payment is collected, the City shall receive the first 90% of any funds collected until the amount owed to the City has been satisfied in full. The contractor is then entitled to the remainder of the funds collected until their fee is paid. ~~the Contractor shall remit a pro-rata share to the City. For example, if the amount owed the City is \$100 and the collection fee is \$20 (total due of \$120) and \$90 is collected, the Contractor would remit \$75 to the City (100/120 X 90) and would retain \$15 (20/120 X 90).~~**

29. Please clarify the intent of the questions on page 21 of 54 titled "Business Questionnaire" **These apply to the proposer, as defined on page 6 of 54, section 6.**

**THE DUE DATE FOR RFP 11319-P HAS BEEN EXTENDED TO
THURSDAY, JUNE 13, 2013 @ 2:00 PM.**

If any RFP's have already been received they will be kept by the City Clerk's Division, unopened, and held for the new opening date. All bid specifications and addenda can be viewed on our website at <http://www.yakimawa.gov/services/purchasing/openings/>.

If you have any questions, please contact me at (509) 576-6787 or colleen.bailey@yakimawa.gov. I apologize for any inconvenience this addendum may have caused you.

Sincerely,



Colleen Bailey, Buyer II